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New Single Food Safety Authority is Created

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Report Highlights:

On September 10, 2014, Ukraine's Cabinet of Ministers created the "State Service on Safety of Foodstuffs and Consumer Protection". Its authority will be based on the previous functions of the State Veterinary and Phytosanitary Service of Ukraine and will encompasses the State Sanitary Service, Agricultural Inspection, and Agency for Consumer Rights. The Agency will receive new legal authority upon the implementation of the law recently approved by the Parliament.

On September 10, 2014 the Cabinet of Ministers adopted Resolution 442 by which the State Service of Ukraine on Safety of Foodstuffs and Consumer Protection was created. The <u>text of the Resolution</u> (in Ukrainian) was made public on September 15, 2014. This resolution completes a long process of legislative changes aimed at increasing efficiency of the government and started back in December of 2010 as an Administrative Reform.

According to the Resolution, the State Service of Ukraine on Safety of Foodstuffs and Consumer Protection will be based on the Veterinary and Phytosanitary Service of Ukraine (VPSU). The following agencies will delegate some or all of their functions to the VPSU:

New Super-Regulator	Agency Supervising Functions	List of Functions Transferred
State Service of Ukraine on Safety of Foodstuffs and Consumer Protection	State Inspection for Consumer Rights Protection	All except recreation area monitoring and price monitoring
	State Sanitary-Epidemiological Service of the Ministry of Healthcare of Ukraine	All except workplace hygiene and radiation control
	State Assay Service	Control over consumption of precious metals and gems
	State Agricultural Inspection Service	Seed Certification

Ukrainian agricultural producers and grain traders pay particular attention to the liquidation of the State Agricultural Inspection Service of Ukraine. According to the industry, its activity was non-transparent and overlapped with the functions exercised by other state authorities. The Agricultural Inspection functions were distributed in the following manner:

State Agricultural Inspection Service of	Function	Distribution
	Grain Quality Certification	Canceled
	State control over machinery use and their condition to function	State Transportation Safety Service
	Seed Certification	State Service of Ukraine on Safety of Foodstuffs and Consumer Protection
	Land use and land productivity control	State Ecological Inspection Service

The Cabinet of Minister assigned a two-month transition period for the implementation of this new legislation. According to the Resolution, the new agencies will bear all of the legal responsibilities of their predecessors. In two months they will also be expected to develop and publish detailed scopes of responsibilities.

We do not know if the cancellation of the Grain Quality Certification function will be permanently eliminated, but in consultation with the Ukraine's American Chamber of Commerce and U.S. industry representatives in Ukraine, FAS/Kyiv is closely monitoring the development of the new legislation to ensure the recent abolition of grains quality certification is final and does not reemerge in the new Agency under a different name.